



Board of Directors Meeting Agenda
February 17, 2021
10am-Noon CT
Matthews Training Center Pierre/Zoom

TOPIC <i>(suggested time for discussion)</i>	PAGES	ACTION/ DISCUSSION/ INFORMATIONAL
CALL TO ORDER <i>(5 min)</i> a. Term Expirations of Dunn and Rhykus January 2021 b. Governor Appointment of Sal Roseland and Adam Bender c. Roll Call d. Housekeeping, changes to agenda, declaration of conflict of interest		
APPROVAL OF MINUTES FROM 9/11/2021 <i>(5 min)</i>	2-5	ACTION
FINANCIAL & PAYABLES REPORT <i>(5 min)</i> a. 2019 990 Filing	6	ACTION
FOLLOW UP FROM PREVIOUS MEETINGS TO DISCUSS <i>(15 min)</i> a. Veterans Cemetery		ACTION
GOVERNANCE <i>(10 min)</i> a. Election of Officers (President, Vice President and Treasurer/Secretary) b. Conflict of Interest Statements c. Officers/Directors Liability Insurance – Do we need this?	7	ACTION
GOALS AND OBJECTIVES/OTHER BUSINESS <i>(60 min)</i> a. Report on Habitat Programs Meeting b. Can-Am Raffle Opportunity c. Fundraising Ideas – Round up request to Scheels, Cabelas, Fleet Farm, Runnings – Korzan	8-9 10	DISCUSSION/ ACTION
PROGRAM UPDATES a. Working Lands Habitat Program <i>(10 min)</i> b. Working Lands Habitat Program Seed Contract - Millborn Seeds c. Every Acre Counts Program <i>(30 min)</i>	11 12-15	DISCUSSION/ ACTION
GFP DEPARTMENT AND COMMISSION UPDATE <i>(5 min)</i> a. Department Secretary Kevin Robling b. Commission Chairman Russ Olson		INFORMATIONAL
OTHER ITEMS a. Ducks Unlimited Grant 2016	16-20	ACTION
ADJOURN Set meeting schedule for 2021 – meet quarterly June (9 th), September (8 th), December (8 th) 2 nd Wednesday 10am to noon CT/9am to 11 MT		

SOUTH DAKOTA SECOND CENTURY HABITAT FUND BOARD
PIERRE, SD
IN PERSON/ZOOM MEETING
SEPTEMBER 11, 2020

Board Members Present: Dr. Barry Dunn, Jim Faulstich, Curt Korzan, DeLon Mork, Tami Nelson, Larry Ness and Jim Scull and Gary Jensen GFP Commission Chair. GFP Staff attending: Executive Director Lisa Weyer.

Board Advisors Present: Representative Nancy York, Matt Morlock, Pheasants Forever, Bruce Toay, Ducks Unlimited, Jeff Vander Wilt, USDA Natural Resource Conservation Service and Paul Lepisto, Izaak Walton League.

CALL TO ORDER AND CHANGES TO AGENDA

President Jim Scull called the meeting of the South Dakota Second Century Habitat Fund board to order at 10:15am CT and a quorum was present. No declarations or conflict of interest were heard. Requested by Weyer to add to the agenda State's Veterans Cemetery.

APPROVE MINUTES OF JULY 28, 2020 MEETING

Jensen moved to approve minutes as presented; seconded by Dunn and the motion carried unanimously by voice vote.

FINANCIAL & PAYABLES REPORT - WEYER

Handout provided in packet. Weyer explained the financial report and went through payables.

Dunn moved to approve the financial report as presented; seconded by Jensen and the motion carried unanimously by voice vote.

Dunn moved to approve the payables as presented; seconded by Jensen and the motion carried unanimously by voice vote.

GOVERNANCE

Scull nominated Korzan for Secretary/Treasurer to fill position with the departure of Steve Halverson.

Jensen made the motion to cease nominations and moved to elect Korzan for Secretary/Treasurer as presented; seconded by Nelson and the motion carried unanimously by voice vote.

GOALS AND OBJECTIVES/OTHER BUSINESS

Fundraising Ideas and Goals:

Korzan stated that he visited with Johnny Morris from Bass Pro/Cabela's on behalf of the SD Upland Outdoor Association and explained the purpose and mission of the organization. Made the request to ask Cabela's to round up purchases with the donation money going to SD Upland Outdoor Association. Stated could also ask on behalf of SCHF, too. Morris is hunting with Korzan in early December so will continue the conversation.

Suggested that we could do the same round up request to Scheels, Runnings and Fleet Farm.

Dunn commented that part of the conversation should be to ask the businesses to match the round up dollar amounts.

A major part of this conversation was about partnering with others and leveraging dollars and programs to get more seed in the ground.

Vander Wilt suggested that NRCS has programs that SCHF could partner on such as Regional Conservation Partnership Program (RCPP), Conservation Implementation Strategy (CIS) program. Could come together rather than separate efforts. Faulstich recommends SCHF has a follow-up conversation with NRCS as to how we can partner.

Jensen commented that someone needs to lead the efforts of all partners and then develop a plan and prepare a letter to the Governor. Jensen suggested SCHF put in writing what we are thinking and have a meeting with GFP. Weyer will coordinate with Scull and put a small group together to discuss what SCHF wants to do in preparation of asking the Governor.

Toay suggested this topic remain on the agenda for the next meeting to discuss further.

Mork stated that we need funds to do any programs or match any partner programs.

Dunn said that we may need the Governor's assistance to ask Scheels, Cabela's/Bass Pro and other businesses to allow the round up concept and match dollars raised.

Faulstich said we need to set our goals. Jensen said we need to plan for what we are going to do with the money we raise as that helps with fundraising efforts.

PROGRAM UPDATES

Second Century Working Lands Habitat Program – Weyer

- Have only had one new enrollee since the last meeting
- Total acres enrolled now is 4,369
- Remaining acres is 631 of the 5,000-acre goal
- \$655,404.50 in incentive payments sent out
- Seed payments have paid out \$190,786
- Total of \$846,190.97 paid out from Working Lands Program
- \$153,809.03 remaining funds as shown on balance sheet
- Just approved \$14,034.59 payment to Millborn Seeds.
- Fund balance of \$139,774.44 left

Weyer will move the \$113,000 from the Big Horn Sheep Auction to the Working Lands Program as the money is to go towards working lands and getting seed in the ground.

Weyer expects a couple more contracts to be coming in for the Working Lands Program.

Weyer will share the Working Lands enrollment map with Representative York and will follow up with Habitat Advisors to provide a progress report of seed planting of enrolled acres.

Every Acre Counts Program – Weyer

Handout provided in packet with revised goals. Weyer went through the goals and objectives and clarified the distinction of producers signing a Data Sharing Agreement and a contract for enrollment.

Anthony Bly is working on revising the promotional rack card.

Weyer explained that she contacted the SD Banking Association and for a \$750 membership fee can get a list of mailing addresses for all banks in SD. Would like approval to join the Banking Association and send information about SCHF, the Working Lands Habitat Program and the EAC to

all ag loan officers in the state.

Faulstich made the motion to approve membership of the SD Banking Association; seconded by Jensen and the motion carried unanimously by voice vote.

Stated the SCHF needs to be a part of the SD Banking Association held in April to promote SCHF.

GFP COMMISSION UPDATE – JENSEN

Jensen reported that the Commission approved the extension of the pheasant season to January 31 and unlimited harvest of pheasants on preserves.

OTHER ITEMS

Report on Habitat Day at State Fair – Weyer

Weyer reported that the Habitat Day (Friday, September 4) went well. Held two panel discussions.

1. The impact of pheasant hunting to the State of SD
2. Why is habitat important and what is GFP, SCHF and other NGO's doing to improve habitat development in SD.

The crowd was down this year due to COVID, but still had an audience of 15-20 people who asked questions.

Keystone XL Pipeline Project Habitat Donation – Weyer

Weyer reported GFP received a request from the Keystone XL Pipeline wanting to make a donation to use on habitat efforts in the northwestern part of the state to benefit sage grouse and other species. \$202,298.00 was received by SCHF on 9/3/2020.

Website Development Update – Weyer

Website development in progress. Have the template and looks good. Have provided content to the website developer. If the board members have not sent your biography and picture get it to Weyer. Hope to have it ready by the middle or end of October.

Weyer gave a report on the progress of the fundraising video. Paulsen has interviewed the Governor and has other interviews scheduled through mid to late September. Weyer will confirm completion date.

States Veterans Cemetery - Weyer

Weyer reported that the State Veterans Cemetery reached out to Matt Morlock to inquire about wanting 45 acres on the east end to be planted to habitat for a "reflecting area". Morlock has spoken to Millborn Seed and they will more than likely discount the seed mix. Full retail of the seed mix would be \$11,000. The Conservation District in Minnehaha County will plant the seed and GFP will manage the habitat area long term.

Morlock will get a map of the area to further discuss at the next meeting.

Toay and Lepisto commented that they would inquire about partnering with SCHF in the cost of seed.

ADJOURN

Ness made the motion to adjourn the meeting and Korzan seconded the motion and the motion carried unanimously by voice vote.

Scull adjourned the meeting at 11:42AM CT

Respectfully submitted,

Lisa Weyer, Executive Director

Date

Approved by,

Jim Scull, President

Date

SECOND CENTURY HABITAT FUND, INC.
Statements of Financial Position

As of December 31, 2020 and 2019

	Dec 31, 20	Dec 31, 19
ASSETS		
Current Assets		
Checking/Savings		
FIRST NATIONAL BANK		
Development Director Funds	58,038.20	100,000.00
Every Acre Counts Funds	851,273.00	1,000,000.00
General Funds	319,958.12	150,596.13
Working Lands Habitat Program	81,258.94	747,804.47
Total FIRST NATIONAL BANK	1,310,528.26	1,998,400.60
Other Current Assets		
Undeposited Funds	0.00	1,741.00
Total Current Assets	1,310,528.26	2,000,141.60
Other Assets		
John Deppe's RC&D Mem Fnd 0510	11,798.61	10,611.41
Second Century Habitat 0844	171,723.16	154,444.33
Second Century PassThr Fnd 0909	53,549.97	53,549.97
Total Other Assets	237,071.74	218,605.71
TOTAL ASSETS	1,547,600.00	2,218,747.31
LIABILITIES & EQUITY		
Equity		
Perm. Restricted Net Assets		
John Deppe's RC&D Mem Fund	8,731.99	9,467.88
Second Century Habitat Fund	152,831.32	137,800.72
Second Century PassThrough Fund	0.00	53,549.97
Perm. Restricted Net Assets - Other	0.00	-20,210.82
Total Perm. Restricted Net Assets	161,563.31	180,607.75
Unrestricted Net Assets	1,386,036.69	2,038,139.56
Total Equity	1,547,600.00	2,218,747.31
TOTAL LIABILITIES & EQUITY	1,547,600.00	2,218,747.31

RESOLUTION BY THE BOARD OF DIRECTORS
OF THE
SECOND CENTURY HABITAT FUND
CONFLICT OF INTEREST POLICY

The South Dakota Second Century Habitat Fund (“Fund”) wants to avoid situations in which the business or personal interests of a Board member, advisor, or staff member may unduly or inappropriately influence the Foundation’s decision-making process.

Because of the varied interests and community involvement of the volunteers and paid personnel on which the Fund depends, situations involving real or perceived conflicts of interest may arise. The Fund hereby adopts a policy of dealing with such conflicts through full disclosure of any such actual or potential conflicts and abstention or recusal where a conflict is involved. Any such abstention or recusal should be formally noted in the minutes.

Examples of potential conflicts of interest include but are not limited to:
Board, committee, staff or consultants or their immediate families serving as board members of or consultants to applicant organizations; individuals responsible for governing the organization obtaining any personal benefit from an action of the Fund.

In no event should the Fund’s policy prevent a Board, advisory member or personnel from briefly stating his or her position in the matter or from answering pertinent questions of others involved in the decision process, as such potentially conflicted individuals have knowledge that may be of great interest and assistance.

Each Board, advisor, staff, consultant or other personnel shall annually disclose potential conflicts including the name of their business and the boards on which they or family members serve which might potentially interface with the Fund. At the beginning of each meeting, they shall disclose any conflict related to any item on the agenda.

Name of Board Member (print) : _____

Date: _____

Potential Conflicts: _____

I hereby certify that I have read, understand and agree to the Fund’s conflict of interest policies.

Signature of Board Member

Approval by the Board

Date: _____

Signed: _____

Title: _____

Second Century Habitat Fund | Meeting of All Agencies Involved with Habitat Programs
January 15, 2021

Present: Acting GFP Secretary, Kevin Robling; DENR Secretary, Hunter Roberts; GFP Wildlife Division Director, Tom Kirschenmann; SCHF Board Member, Dr. Barry Dunn; SCHF Board Member Jim Scull; SD Grassland Coalition, Jesse Jessop; Ducks Unlimited, Bruce Toay; Pheasants Forever, Matt Morlock and SCHF Executive Director, Lisa Weyer.

Scull started the meeting asking how we can better collaborate with all programs being provided to landowners by one person rather than a person having to inquire with each agency. We need a central point of coordination to assist with putting together a habitat plan for landowners. Scull stated he has found it difficult to get a response from people.

Robling commented that there is a convoluted web of habitat programs. The Farm Bill Biologists/Habitat Advisors are to be that centralized person. They have knowledge of all habitat programs.

Morlock provided information that the Farm Bill Biologists are based out of the USDA Service Centers/NRCS. Their job is to walk through the options from start to finish. There are currently 14 Farm Bill Biologists in South Dakota. Only one is in West River. Funding is an issue.

Scull stated that it is challenging to raise money for habitat. We need good story in order to motivate people to give money. Questioned if Pheasants Forever would hire more biologists if they had the funding?

Morlock responded that currently NRCS, GFP and PF partner on paying the salaries for the Farm Bill Biologists. It is roughly \$50,000/year per position.

Dunn replied that \$50,000 salary isn't enough to attract and retain biologists.

Scull questioned if PF tracks how many acres are developed to habitat from the Farm Bill Biologists?

Morlock responded that yes, they do track. 150,000 acres of habitat developed per year with the spending of \$1 million.

Robling commented that habitat development is a major priority for the Department. One third of the GFP budget.

Scull asked how do we change the dynamic of thought to educate landowners on the importance of habitat and economics of poor farmland?

Robling stated that this concept is the very reason Every Acre Counts was developed- to educate.

Morlock stated that it is a paradigm shift. The issue is how do we change minds with the conflicting policy from USDA and the insurance industry. The profit from the land is the determining factor for landowners.

Weyer questioned to the GFP Department if they have ever done marketing/education specifically towards habitat similar to their pheasant marketing campaign they are doing now.

Robling stated they did the HabitatPays website, but maybe need to do another push and try it differently. We need success stories to tell.

Kirschenmann commented that we need to have a strategic marketing/messaging effort.

It was questioned how do reach out of state landowners?

Jessop commented that the SD Grassland Coalition is an educational organization. They recently sent out a postcard and brochure to 32,000 Non-Operating Landowners.

Scull commented that maybe SCHF fills the need of marketing and messaging rather than concentrating solely on getting seed in the ground. Also maybe assist with funding for more Farm Bill Biologists and educational classes. It would be good to utilize the preserves in some way.

The meeting adjourned with the comments that this group needs to continue meeting.

Can-Am Raffle/Fundraising Opportunity

Value of \$53,000

Tickets \$100 available March 8



Every Acre Counts and Soil Health and Habitat Program Report (February 3, 2021)

Anthony Bly, Cristin Weber and Matthew Diersen

Summary

We have seen very good activity in our programs. The programs have been promoted in popular media with articles in Tri-State Neighbor, Farm Forum and several other smaller newspapers. Opening the EAC program boundaries to all of South Dakota helped the promoting process. On December 9, we had a virtual webinar in association with the AGTEGRA coop, focusing on the soil salinity issue (flyer shown below). Speakers included Jim Ristau (SDCORN), Kent Vlieger (USDA, NRCS), Cristin Weber (PF) and Anthony Bly (SDSU). There has been an increase in “in-coming” calls about our programs (EAC and SHHP), but cold-calls are a large portion of our contacts. CRP and crop commodity prices are causing the majority of the indecisions from our cooperators, however have not decreased interest. Program acreage and program farm summaries are show below in tables 1 and 2. Cristin and Anthony have presented many reports to our farmer cooperators.

Anthony started working with on-farm soil test organic matter data as part of Every Acre Counts. Several data sets included the capability of analyzing the data by management zones. Agronomists use these management zones to independently track soil nutrients and organic matter and include high and low (marginal) producing acres separately. Initially, it appears that the lower producing zones (marginal lands) are losing organic matter, which also indicates carbon loss. This creates a question; **could we incentivize conversions of marginal lands into perennial habitats for the purpose of carbon farming (sell the carbon credits)?** Currently, there is a large emphasis on carbon credits within agriculture. The Wall Street Journal and many other popular publications have discussed agriculture as part of the solution to mitigating greenhouse gases. Producers are frequently asking questions about this topic, which is absolutely connected with what we are trying to accomplish with our programs.

Table 1. Precision Profitability Analysis summary:

	<u>acres</u>
Total acres in the system	15,232.5
Analyzed acres (reports complete)	7205.25
Remaining acres to complete analysis	8,027.25
Marginal acres identified (portion of analyzed)	<u>1378.8</u>
% marginal acres found (percent of analyzed)	<u>19.1 %</u>

5 farms yet to complete analysis – data sets not complete

9 farms in line for data entry.

7 farms identified for cold contact calls

Table 2. Program Farm Summary (anonymous list)

producer #	county	Initial contact	Data agreement	Under Consideration	Definite Yes	Definite No	Signed Contract	EAC acres	Other program acres
1	Minnehaha	Jan-19	yes	X					
2	Minnehaha	Jan-19	yes	X					
3	Minnehaha	Jan-19	yes	X					
4	Minnehaha	Nov-19	no	no		X			
5	Brown	Dec-19	yes	X	X				
6	Hand	Feb-20	yes	X	X				
7	Potter	Feb-20	no	no		X			
8	Moody	Feb-20	no	X					
9	Brown	Apr-20	yes	X	X		X	17	
10	McCook	Jun-20	yes	X					
11	Beadle	Apr-20	PF	X		X			SHHP
12	Spink	Jun-20	PF	X					SHHP- 10 a
13	Gregory	Jun-20	PF	X					
14	Brookings	Jun-20	no	no		X			
15	Beadle/Hand	Jun-20	PF	X	X		X		SHHP - 15 a
16	Beadle/Clark	Jun-20	PF	X		X			SHHP
17	Davison	Jul-20	yes	X					
18	Faulk	Jul-20	yes	X	X				
19	Grant	Aug-20	pending	X	X				
20	Davison/others	Oct-20	yes	X					
21	Davison/Hanson	Oct-20	yes	X					
22	Hutchinson	Nov-20	yes	X					
23	Minnehaha	Nov-20	yes	X					
24	Lake	Nov-20	yes	X	X				
25	Grant	Nov-20	yes	X	X				
26	Hutchinson	Nov-20	no	X		X			
27	Beadle	Dec-20	yes	X	X				SHHP - 60 a
28	Brule/Buffalo	Dec-20	pending	X					SHHP - 180 a
29	Sully	Jan-21	yes	X	X				
30	McPherson	Jan-21	pending	X	X				
31	Aurora	Jan-21	pending	X					
32	Brown	Jan-21	pending	X					
33	Kingsbury	Dec-20	no	no		X			
34	Day	Dec-20	no	no		X			
35	Faulk	Dec-20	no	no		X			
39	Hughes	Jan-21	pending	X					
40	Hamlin	Jan-21	pending	X					
41	Walworth	Jan-21	pending	X					
42	Bon Homme	Jan-21	yes	X	X				25 a CRP
43	Spink	Dec-20	no	X		X			
44	Lawrence	Dec-20	no	no		X			
45	Charles Mix	Jan-21	pending	X	X				32 a CRP
46	Roberts	Jan-21	no	no		X			
47	Campbell	Jan-21	pending	X	X				

LETTER OF AGREEMENT

This Agreement is entered into as of the 7th day of December, 2018, by and among the State of South Dakota, Governor's Office of Economic Development ("GOED") and the South Dakota Habitat Conservation Foundation.

Scope of Agreement

This Agreement will run from December 7, 2018 through December 31, 2020.

The State of South Dakota understands the important economic benefits of promoting the state's wild game habitat and its influence on tourism, one of the largest influences on the state's economy. The Foundation intends to quantify the cost/benefit of conservation on a sampling of farms across the state through a joint research project with South Dakota State University (SDSU). Therefore, the GOED will provide funding to South Dakota Habitat Conservation Foundation, to assist with funding and monitoring the SDSU research project along with dedicated staffing that will focus on fund raising for this enterprise and other Foundation projects.

South Dakota Habitat Conservation Foundation

South Dakota Habitat Conservation Foundation commitments:

To engage with SDSU and SDSU Extension to study how conservation practices on low-productivity acres will impact individual farm income.

Specific objectives of the research include:

1. Characterize current technical and financial status of participating landowner operations.
2. Re-assess technical and financial status under potential alternative uses of marginal acres to enable landowner to make informed decisions.
3. Implement alternative practices on marginal lands and assess impacts on technical and financial status over multiple years.
4. Develop outreach materials and share with stakeholders.
5. Assess impacts of marginal acres program on taxpayer funded programs and agriculture policies.

To utilize \$100,000 of these funds for staffing primarily focused on fundraising for the Foundation.

The Foundation shall provide GOED with a written update on that year's research activities no later than December 31, 2019 and December 31, 2020.

Governor's Office of Economic Development

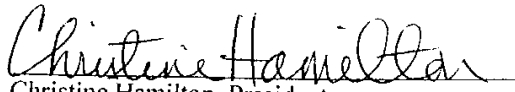
Governor's Office of Economic Development commitments:

- To provide funds to the South Dakota Habitat Conservation Foundation in the amount of one million and one hundred thousand dollars (\$1,100,000.00) upon execution of this Agreement.

Reports are to be submitted to: Dale Knapp, Governor's Office of Economic Development, 711 E. Wells Avenue, Pierre, SD 57501-3369.

This Agreement may be renewed, amended or terminated upon mutual consent of all parties. In the event the South Dakota Habitat Conservation Foundation fails to utilize the funding in accordance with the terms hereof GOED may unilaterally terminate this Agreement, at which time any funding provided to South Dakota Habitat Conservation Foundation hereunder will be subject to refund at the discretion of GOED.

The parties signify their agreement effective the date above first written by their signatures affixed below.



Christine Hamilton, President
SD Habitat Conservation Foundation
523 East Capital Avenue
Pierre, SD 57501



Aaron P. Scheibe, Interim Commissioner
Governor's Office of Economic Development
711 E. Wells Avenue
Pierre, SD 57501-3369

Date: 12/07/18

Date: 12/07/18

GRANT ACCEPTANCE AGREEMENT: Must be completed for all grants requiring expenditure responsibility by grant recipient.

Any grant made will be subject to the terms herein.

Grant Applicant (Organization or Group): Ducks Unlimited, Inc.

Address: 2525 River Road
Bismarck, ND 58503

Project: Firesteel Wetlands

1. **Public Recognition:** The South Dakota Conservation Fund Board of Directors (Board of Directors) appreciates the grantee's efforts to publicize the grant and the fund within the South Dakota Community Foundation that awarded the grant.
2. Grant Award: \$10,000.00
3. **Expenditure of Grant Funds:** The funds awarded may be spent only in accordance with the goals and objectives stated and budgeted in the Grant Application you submitted, as approved by the Board of Directors. The approved grant application is attached as Exhibit 1. The funded project and its budget may not be changed except with prior written approval of the Board of Directors.
 - a. Expenses may not be charged against the grant that were incurred prior to the Grantee's signature on this agreement, or after December 31, 2016, without prior written approval of the Board of Directors.
 - b. Equipment or property purchased with grant funds shall be the property of the grantee organization unless the organization should go out of existence. In that case, the ownership of the equipment or property reverts to the Board of Directors unless ownership is transferred to another nonprofit organization with approval from the Board of Directors.
3. **Disbursements to Grantees:**
 - a. Grant funds will be disbursed to the grantee upon receipt of signed agreement.
 - b. The grantee is responsible for grant funds received and for maintaining adequate supporting records. Separate accounting records must be maintained for these grant funds.
 - c. Provide access by the Board of Directors, or any of their duly authorized representatives to any books, documents, papers, and records which are directly pertinent to this grant for the purpose of making audit, examination, excerpts, and transcriptions.
4. **Reversion of Grant Funds:** The grantee will return to the Board of Directors any funds not spent by the close of the grant period, except in the case of prior written approval of the Board of Directors for an extension of the grant period for substantive causes.
5. **Review of Grant Activity and Reporting:** The grantee will furnish the Board of Directors annual performance reports and statement of expenditures by not later than November 1, of each year until funds are spent. Additional reports will be provided by the November 1 reporting deadline if additional reporting is specified in the grant proposal. Reports can be sent to Tanna Zabel; Game, Fish, & Parks Department; 523 Capitol Avenue; Pierre, SD 57501

Also, the Board of Directors would appreciate photos and copies of articles published about the grant activity.

6. **Limit of Commitment:** Unless otherwise stipulated in this contract, the Board of Directors has no obligation to provide other or additional support to the grantee.

7. **Miscellaneous Provisions:**

- a. This Agreement is dependent and contingent upon the availability of funds from the South Dakota Community Foundation and authority from the South Dakota Habitat Conservation Fund Board of Directors, for the purpose detailed in the grant proposal and will be terminated by the Board of Directors if the South Dakota Habitat Conservation Fund Board of Directors fails to provide funds. Termination for this reason is not a default by the Board of Directors, nor does it give rise to a claim against the Board of Directors.
- b. All other prior discussions, communications and representations concerning the subject matter of this Agreement are superseded by the terms of this Agreement, and except as specifically provided herein, this Agreement constitutes the entire agreement with respect to the subject matter hereof.
- c. Any notice or other communication required under this Agreement shall be in writing.
- d. Notices shall be given by and to the President of the Board of Directors on behalf of the South Dakota Habitat Conservation Fund Board of Directors, and by Stephen E. Adair on behalf of Ducks Unlimited, Inc., or such authorized designees as either party may from time to time designate in writing.

Attach Exhibit 1, Grant Application

SIGNATURE BLOCK

Name of Applicant (Organization):

Ducks Unlimited, Inc.

Applicants Address:

2525 River Road, Bismarck, ND 58503

Authorized Signature

Stephen E. Adair

Date

2/15/16

State: ND

ZipCode: 58503

Fax: (701) 355-3512

E-Mail: btoay@ducks.org

Phone: (605) 380-0684

Project Title: Firesteel Wetlands

Project Description: Plankinton-area producer and rancher Bob Bruns approached Ducks Unlimited about project assistance to repair a breached dam in some pasture he rents in Aurora County. The earthen dam had run over approximately six years ago and head-cut to the point where it is no longer holding water. Attempts were made to repair the cut, but were unsuccessful. The existing dam is overrun with trees and is unrepairable. This dam retains water that runs into the West Branch of the Firesteel Creek (approximately 1/2 mile downstream), a stream noted for impaired water quality from excessive sediments, bacteria, and nutrients. Ducks Unlimited would like to reconstruct this dam moving the centerline slightly downstream including a water control structure with a primary and emergency spillway capable of handling a 100-year precipitation event. Landowner Darrel Johnson also has four drained temporary basins in an adjacent field currently in CRP, and has agreed to allow DU to restore these wetlands in conjunction with the dam construction. DU feels this is a unique opportunity to assist a private landowner resulting in great improvements in water control and quality, and restoring critical wildlife habitat.

Project Need: The impounded water in the dam provides an excellent source of water for livestock. This pasture is part of a two-pasture rotation (the other pasture has a dugout) that includes native grass and tame grass pastures. These pastures provide critical nesting cover for wildlife including pheasants, ducks, and many migratory species. These pastures are not protected by any conservation easements, and without an adequate water source, the landowner could be convinced to convert the pastures to cropland. Dam construction with an adequate structure to handle this watershed is expensive and would be very difficult for a landowner to afford. Ducks Unlimited is attempting to acquire funds from multiple sources to fund this project. This project will also contribute to water quality in the Firesteel Creek watershed, which ends up in Lake Mitchell. Firesteel Creek and Lake Mitchell have received a lot of attention recently regarding impaired water quality and solutions for improvement. DU feels this project will allow us to promote wetland restoration and habitat improvement in the watershed as a viable solution to this problem and hope to add similar projects with other producers in throughout the watershed.

Project Objectives The dam will be reconstructed with a primary spillway of 48"-60" reinforced concrete pipe with a hydraulically matching barrel capable of handling a 10-year precipitation event. An emergency spillway will be constructed along the south edge of the embankment. The combination of primary and emergency spillway will be capable of handling a 100-year event. These improvements are costly, but will ensure this dam will be capable of handling inputs from this watershed. The impounded wetland will consist of approximately six acres of water, providing habitat for aquatic birds and wetland shoreline vegetation for many species of wildlife. Four previously drained wetlands will be restored in an adjacent field of CRP consisting of approximately six acres of shallow wetland habitat, providing excellent habitat to a wide variety of migratory and resident species.

Project Methods: DU has already developed a conceptual plan for the dam reconstruction. Once funding is acquired, DU engineering staff will conduct an official survey of the dam site and wetland restorations and conduct a soil analysis, then develop project designs. DU staff will obtain all necessary permits for the process,

bid the project out to local contractors, and conduct on-site construction management.

Expected Project Benefits: This project will provide a multitude of benefits. This project will restore six acres of semipermanent wetland habitat and six acres of temporary wetland habitat. Project success will be completed when the original hydrology of these basins are restored. These acres will provide excellent wildlife habitat for migratory and resident wildlife including ducks, pheasants, and deer. The reservoir will provide a good source of water for livestock and allow the tenant to rotate cattle, enhancing grassland diversity and vigor, and providing critical habitat to wildlife. The stored water in these basins will enhance water quality in the Firesteel Creek by filtering sediments, bacteria, and nutrients from run-off that would otherwise flow right into the West Branch of the Firesteel Creek and end up in Lake Mitchell. Firesteel Creek is known to harbor the federally-endangered Topeka shiner and Lake Mitchell is a popular destination for anglers and recreational boaters.

Project Timetable

Project Starting Date: 01/01/2016

Project Ending Date: 12/31/2016

Additional Milestones: DU anticipates funding to be secured in the winter 2015-2016. Engineering should be completed and all permits should be obtained by spring 2016, and construction phase should be completed by late summer 2016.

Mid-Year Project Update Report: 06/30/2016

Project Complete/Final Report Submitted: 12/31/2016

Budget for Project

Personnel Expenses: DU anticipates a significant amount of time will be required by engineering staff and biologist staff to complete this project. Staff time includes survey, project design, permitting, bidding, construction management and evaluation. Anticipated staff costs are \$13,000.

Travel Expenses: DU engineering staff reside in Bismarck, ND, and would need to take multiple trips to the project site and overnight stays to complete the project. DU biologists reside in SD and would also require multiple trips to the site. DU estimates mileage, 5 nights of overnight stay, and meals to cost \$3,000.

Supplies: Supplies are included in the estimated contractor bid cost.

Other: Most of the cost of this project includes the estimated cost of construction by contractor. DU estimates a low contractor bid of \$93,000. This cost includes mobilization, site preparation (removing existing dam), embankment construction, water control structure and installation, culvert installation, rock riprap and aggregate placement, and plugging four drainage ditches on drained wetlands.

Total Budget for the Project: \$109,000

Other Funding Sources and Amounts: DU was awarded \$45,000 of project assistance from the James River Water Development District. This money will be used for construction and materials. Landowner Darrel Johnson of Plankinton as agreed to contribute \$1,000 of his own money toward the project. Ducks Unlimited will cover the remainder of the cost and/or seek other grant funding to complete this project.

Doanted (voluntter) Time/Expenses:

Total Amount Requested from teh Small Grants Program: \$10,000